

**FROM:** Helene Noble, Director, Employee and Workforce Relations  
**TO:** Executive Officers, Administrative Officers, Human Resource Liaisons  
**DATE:** December 22, 2004  
**SUBJECT:** NIH Performance Plan/Contract Guidance - January 05

Attached please find guidance for completing the 2004 fiscal and calendar year employee performance rating cycles, and establishing new performance plans and contracts for NIH General Schedule, Title 42, and SES employees for the next rating cycle. Please refer to Att 1, January Performance Management Guidance, for cycle dates and other general information. Executives, managers and employees should begin identifying critical elements for plans and contracts, based on the information provided here.

As in the past, we are asking that managers "cascade" broad HHS and NIH objectives and goals to individual employee contracts and plans. A sample for cascading methodology is located at:

<http://hr.od.nih.gov/PerfMgmt/AttFHowtoCascadeObjectivesOutputs.doc>

As a starting point, refer to the revised (December 13th) version of the Ten Management and Program Objectives (Att 2). We expect that the "Ten and Ten" may be revised again shortly, but have been advised that the key goals will not change substantively. Also, you may wish to review the performance contracts from '04 for Dr. Zerhouni <http://hr.od.nih.gov/PerfMgmt/Zerhouni2004.doc> and that of your IC Director, to see if any objectives and activities have carried over to this year. Finally, you may consider any NIH Roadmap or other key NIH initiatives that may impact work assignments in your organization. As soon as we receive the '05 performance contract for Dr. Zerhouni, we will forward that to you.

In the meantime, we want to call your attention to changes from previous rating cycles which are addressed in this guidance:

- Revised HHS Ten Management and Program Objectives (Att 2)
- Revised SES appraisal form (Att 10), and
- New critical elements for:
  - a. reducing/recovering improper payments (Att 9), and
  - b. ethics (forms available at: <http://ethics.od.nih.gov/>, under the "Ethics Critical Elements for DEC's and Supervisors" bullet.

It is possible that there may be some changes later this year to the existing performance system for General Schedule-(non-bargaining unit) and Title 42 employees. However, we have been advised by HHS that for now, we should proceed as before with our current pass/fail system and existing forms.

We are in the process of developing a working website that consolidates this guidance, and will notify you upon its completion. Please contact Ms. Susan Fishbein on 301-402-7984 or Ms. Helene Noble on 301-402-4251, if you have any questions about the guidance in these attachments.